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COUNTRY Germany ( Russian Zone )

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SUBJECT Subsidies Granted by the State of Saxony

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1. The budget contains sums granted as subventions to quasi-political groups:

Under Chapter Ia (Minister President), for "anti-fascist-democratic organizations and movements", especially for the Permanent Committee for Unity and a Just Peace  
RM 200,000

Under V (Education), subventions for the FDJ are included in an item of RM 3,016,000 for General Aid to Youth amount unspec.

Also under V, for the Kulturbund zur demokratischen Erneuerung Deutschlands  
300,000

Also under V, the heading "Miscellaneous Cultural Purposes" includes an item of RM 470,000, of which a part is for the Society for the Study of the Culture of the Soviet Union  
amt. unspec.

Under VI (Labor and Social Welfare), for welfare activities for the laboring population, said by another source to comprise payments ordered by the SMA "for special anti-fascist services"  
900,000

Under VIII (Agriculture and Forestry); for the VdgB  
320,000

Also under VIII there are contributions for the "Advancement of Agriculture", with mention of "peasant organizations" --  
presumably again the VdgB  
amt. unspec.

2. Perhaps these items should be added:

Under V, a total of RM 590,000 for Women's Work and the Women's Fund probably includes an allotment to the Frauenbund  
amt. unspec.

Under VI, for "cultural care of the laboring population", not further explained  
365,000

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Extracted by I.R.

EXCERPT PA 1B

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## 3. Industrial and agricultural subsidies are much larger.

Under IX (Industry and Crafts), under the heading "General Advancement Purposes" are the following contributions:

For cellulose-producing enterprises, according to an SMA order of 3 October 1946 for the maintenance of the price ceilings RM 22,000,000

For ore mining, in consequence of SMA Order No. 23 of 1946 8,900,000

For the fertilizer industry, on order of the SMA 11,000,000

For "the stock companies" (SAGs?), on order of the SMA 30,000,000

Estimated subsidies for the maintenance of the 1944 ceiling prices, primarily for state-owned enterprises 75,000,000

Under X (Fuel and Energy), for "General Advancement Purposes", explained as coverage of deficits of the coal mines for the period from 1 January 1947 to 31 March 1949 116,500,000

Under XI (Trade and Supply), subsidies to prevent price increases for foodstuffs (meat, milk, fat and oil, grain, potatoes, sugar) 70,000,000

Under XX (General Finance Administration), liquidation of debts of the stock companies which accumulated between 8 May 1945 and the date of transfer to the occupying power 22,342,000

In the extraordinary budget, under IX, subsidy to the Hauptverwaltung Volkseigener Betriebe Sachsens for the reconstruction of factories (including RM 31,160,000 for the Riesa steel works) 34,220,000

## 4. Payments to the Soviet authorities are included in the following:

Under XX, interest on the 1946 loan, RM 12,000,000

Under XXIII (Payments to the German Finance Administration), remittances "for measures of zonal importance", RM 1,325,000,000

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